

PCF Oversight Board  
(Act 967 of 1990)

- a. PCF Oversight Board – providers
- b. PCF under Governor's Office – Risk Management
- c. LA Insurance Rating Commission determines the surcharge based on the actuary's report
- d. Rule making authority

# PCF Oversight Board Members

Charles D. Belleau, M.D.

Gerald L. Foret, M.D.

Kenneth L. Odinet, M.D.

F. Dean Griffen, M.D.

Gary R. Darnell

Charles Daigle

Clark Cosse'

Mark D. Berger

Daniel Lennie

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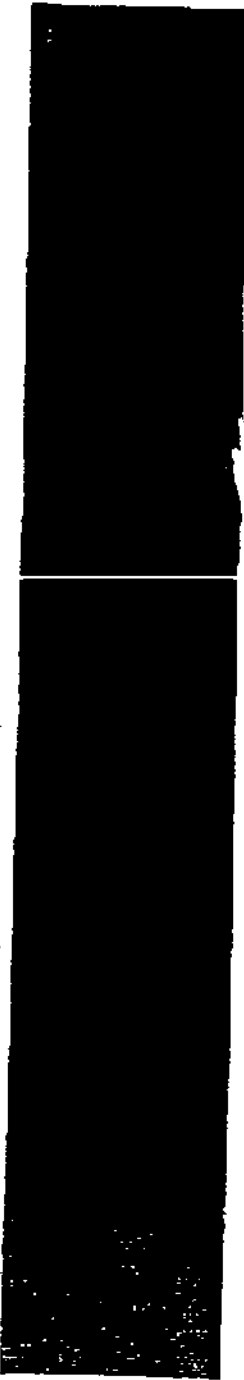
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# Historical Rate Data -- Physicians

1991	7.8 %	1998	6%
1992	21.8%	1999	Denied
1993	7.8%	2000	14.1%
1994	8.1%	2001	6%
1995	Denied	2002	8.4%
1996	Denied	2003	19.1%
1997	17%		

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# Historical Rate Data -- Hospitals

1991 - 22.5%  
 1992 - 56.3%  
 1993 - 23%  
 1994 - 8.1%  
 1995 - Denied  
 1996 - Denied  
 1997 - 9%

1998 - 3.5%  
 1999 - Denied  
 2000 - 5.4%  
 2001 - 5.1%  
 2002 - 6.3%  
 2003 - 17.5%

## Surcharges for 2003 - Hospitals

- Self insured – 2371 per bed

## Surcharges for Nursing Homes

SNF – 475 per bed

Intermediate – 331 per bed

Other – 237 per bed



# Self-Insureds

\$125,000 dollar approved financial instrument

- a. Letter of credit
- b. Bond
- c. Cash
- d. Insurance policy cash value

Statute – Inflexible

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# Participation in PCF

- 20% of Fund enrollees are self-insured
- Groups must practice together as a professional corporation, a partnership, or some other entity

# PCF Paid Loses 1992 thru 2000

a.	Physicians	\$248,688,350	854 claims
b.	Hospitals	\$ 91,212,020	404 claims
c.	Dentists	\$ 1,621,381	13 claims
d.	CRNA	\$ 3,418,852	13 claims
e.	All other	\$ 26,110,424	94 claims



# PCF Average Loses 1992 thru 2000

a.	Physicians	\$283,514.33
b.	Hospitals	\$225,772.33
c.	Dentists	\$124,721.82
d.	CRNA	\$262,988.62
e.	All other	\$277,770.47


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# PCF Surcharges Collected

1982 -- \$ 2,863,000  
1987 -- \$18,182,000  
1992 -- \$37,894,000  
1997 -- \$72,813,327  
2002 -- \$104,188,267



# PCF Judgments and Settlements (including medicals)

1982	\$ 2,324,274
1987	\$19,908,428
1992	\$32,124,135
1997	\$44,533,159
2002	\$62,670,774

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# PCF Future Medicals Payments

1991	\$ 4,928,538
1994	\$ 6,116,501
1997	\$13,112,512
2000	\$18,741,253

# PCF Expenses

- Board Legal Expenses  
Average per year \$119,450
- Claims Settlement Expenses  
Average per year \$2,974,392
- Administrative Costs  
Average per year \$1,300,939

# PCF Interest Earned

- Earned from investment of surplus funds
- State Treasury about 5 percent a year for last five years
- Government issues only – 4 to 5 million/yr.

Present balance as of 7/1/02

\$132,000,000

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# Medical Review Panels

1991 1,314

1994 1,481

1997 1,513

2000 1,696

90% -- Defendant



# Public Act

- Covers state hospitals, physicians employed by the state, and medical schools
- Parallels the private very closely
- Taxpayer money involved